



Overview

Country or Region: United States

Industry: Retail—Specialty retail

Customer Profile

Godiva Chocolatier is a premier purveyor of hand-crafted chocolates, available from its 400-plus global boutique stores, other retailers, and over the Internet. Godiva is based in New York City and has 1,400 employees.

Business Situation

Godiva needed to upgrade its aging IBM Lotus Notes email system, but felt that the move would be expensive and consume valuable IT staff time. Also, users were dissatisfied with the Notes interface.

Solution

Godiva licensed the Microsoft Business Productivity Online Standard Suite, part of Microsoft Online Services, which provides Microsoft communications and collaboration programs for a monthly per-user fee.

Benefits

- U.S.\$250,000 annual savings
- Faster response to business needs
- Easier scalability
- Cost-effective availability
- Increased user satisfaction

By Moving Email to Cloud, Retailer Saves \$250,000 Annually, Gains Business Agility

"I've been able to provide equal or better email service at a much lower cost, which is a big win for Godiva. We're looking at a \$250,000 annual savings from eliminating Notes."

Steve Whitelam, Director of Information Technology, Global Shared Services, Godiva Chocolatier

Godiva Chocolatier knows a sweet deal when it sees one. When its aging IBM Lotus Notes email program needed an upgrade, the chocolate specialist did not want its IT staff members spending time upgrading and maintaining messaging software; it wanted them supporting the rollout of new stores and helping to sell more chocolate. Godiva worked with Binary Tree, a Microsoft Gold Certified Partner, to migrate its email into the "cloud," using Microsoft Online Services. By delivering email over the Internet, Godiva eliminated U.S.\$250,000 in annual Notes maintenance and hosting fees, achieved cost-effective email scalability, and freed its IT staff to focus on supporting business growth. Godiva also gets high availability for its messaging services at no extra cost. Employees are much happier and more productive by using the familiar Microsoft Office Outlook messaging and collaboration client.

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Mike Strause, Information Technology Architect, Global Shared Services, Godiva Chocolatier

Situation

Godiva Chocolatier is one of the world's best-known names in gourmet chocolate. Godiva makes and sells premium chocolate concoctions, including bonbons, truffles, flavored coffee, cocoa mixes, cookies, ice cream, and liqueurs. Godiva chocolate products are available worldwide at its more than 400 boutique stores, in department and specialty stores, through mail order, and from its website.

Until 2008, Godiva was owned by the Campbell Soup Company, which used IBM Lotus Notes for email messaging. In 2008, Campbell sold Godiva to Ülker Bisküvi Sanayi, a Turkish food company, which meant that Godiva would need to function as an independent U.S. company. Suddenly, Godiva had to set up its own data center and IT services. To speed and simplify the divestiture, Godiva kept its Notes email infrastructure and migrated its 1,400 mailboxes from Campbell Soup servers to its own servers, hosted at the same IBM data center.

However, Godiva was using an older version of Notes, and users complained about the lack of modern email features, non-intuitive user interface, and the overall lack of familiarity. Most employees used the Microsoft Office Outlook messaging and collaboration client at home and expected the same feature set at work. “It was more difficult for employees to relate to Notes because it wasn't what they were used to,” says Steve Whitelam, Director of Information Technology, Global Shared Services, at Godiva. “We also wanted an email client that was better integrated with the other Microsoft Office programs, from document preview to editing.”

Making matters worse, the company's messaging software and hosting fees were expensive. Upgrading Notes would have

required an additional expense and more work for the busy IT staff. “We needed to do something, because our email software was due to lose support soon,” says Whitelam. “Although we hosted Notes offsite, we spent more time managing the infrastructure than we wanted. Our whole objective is to sell chocolate. Management didn't want the IT staff focused on utility services such as email.”

Solution

In May 2009, Godiva evaluated its options. It could upgrade to the latest version of Notes desktop and server software, keep Notes servers but migrate to the Office Outlook messaging and collaboration client, or jettison Notes and migrate to Microsoft Exchange Server 2007 and Office Outlook 2007 with cloud services. The last option was the most enticing: cloud-based email—email software hosted in a third-party data center and delivered as a service over the Internet.

Because Godiva was keen to streamline its IT workload, cloud-based email was most appealing. “We had outsourced Notes, so we didn't have a large email staff and didn't want to build one,” says Mike Strause, Information Technology Architect, Global Shared Services, at Godiva. “Online software made sense economically and strategically. With online software, we could share email infrastructure resources with other customers, which took the pressure off our IT staff to do security updates, keep SLAs [service-level agreements] up to speed, and regularly upgrade software. We could focus on the end-user experience.”

Whitelam and his colleagues evaluated the Microsoft Business Productivity Online Standard Suite, part of Microsoft Online Services, which includes Microsoft Exchange Online email services, Microsoft SharePoint Online collaboration services,

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Microsoft Office Live Meeting for web conferencing, and Microsoft Office Communications Online for presence and instant messaging. Organizations license the suite for a per-user monthly subscription. Godiva also looked at LotusLive, a cloud-based email service from IBM, and Google Gmail.

“We dismissed Google early on, because we didn’t think it was enterprise-ready,” Whitelam says. “What swung us to Microsoft Online Services was the consistency across the web and desktop interfaces. Office Outlook and Microsoft Office Outlook Web Access look identical. This was not the case with LotusLive.”

Weekend Migration

Godiva brought in Binary Tree, a Microsoft Gold Certified Partner, to help with the migration from Lotus Notes to the Business Productivity Online Standard Suite. Binary Tree had helped more than 45,000 companies migrate more than 20 million users to new email platforms. “We had just migrated our users from Campbell Soup Notes to Godiva Notes and knew we needed a better approach,” Strause says. “Binary Tree had an offering called the Weekend Express, which promised to migrate all our users in one weekend and eliminate a coexistence period. We liked this approach and felt we could benefit from Binary Tree’s experience.”

Binary Tree first replicated the Godiva Notes data in its own data center and then migrated it to Microsoft data centers. It then performed the translation from Notes to Exchange Server 2007. After trying this approach on a dozen or so test accounts, Binary Tree proceeded with a whole-company migration over one weekend in April 2010. Godiva licensed 1,300 seats of the Business Productivity Online Standard Suite, 300 of which were for deskless store

workers. The company simply added the new licenses to its Microsoft Enterprise Agreement, a Microsoft Volume Licensing agreement for large organizations that provides simplified, cost-effective licensing for popular Microsoft desktop computer programs.

In July 2010, Godiva migrated 500 employees who used BlackBerry smartphones and the BlackBerry Enterprise Server to Microsoft Online Services, so they could check their email, calendars, and task lists from their phones.

Web-Based Email, Presence Visibility

Today, Godiva employees all over the world access email messages from any Internet browser by using Microsoft Exchange Online. They have a wealth of features that they did not have before, the most useful of which are the ability to toggle between email, calendars, contacts, and tasks, and customize the interface. “User response has been overwhelmingly positive,” Strause says. “Our employees are thrilled to have a modern, familiar email program, which makes them more efficient and productive.”

Godiva uses Microsoft Forefront Online Protection for Exchange, included with Exchange Online, to provide multiple filters and virus-scanning engines that help protect Godiva from spam, viruses, and phishing scams. “We can look at security reports on an online portal to see how many emails are being filtered, current email performance levels, whether anyone is targeting our user base, and so forth,” Strause says. “The value over our previous email virus solution is that Forefront Online Protection is more real-time; we don’t have to generate reports.”

Godiva has yet to “turn on” the other Business Productivity Online Standard Suite programs but anticipates that Microsoft

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SharePoint Online usage will be high. “Teams in human resources and marketing will be able to set up their own collaboration sites to share calendars, documents, and discussions, which will accelerate information-sharing, product launches, store openings, and all aspects of our business,” Strause says.

Although Godiva had used IBM Lotus Sametime software for instant messaging, the IT staff has found it much easier to add individuals to Microsoft Office Communications Online and to see their availability (the presence feature). The ability to see presence within Microsoft Office documents is especially useful when multiple people are authoring a document. When Godiva rolls out Office Communications Online, which uses Microsoft Office Communicator 2007 as the desktop client, employees will be able to see when colleagues are online so that they can contact them by using a quick instant message.

Benefits

By migrating its email service to the cloud, Godiva has realized annual savings of U.S.\$250,000. It has also gained greater business agility and more cost-effective scalability and high availability. Users are happier and more productive by using a more modern and familiar messaging program.

\$250,000 Annual Savings

Godiva realized substantial savings by moving to Microsoft Online Services. “As chief technology officer, I’ve been able to provide equal or better email service at a much lower cost, which is a big win for Godiva,” Whitelam says. “We’re looking at a \$250,000 annual savings from eliminating Notes maintenance costs and the premium hosted service.” Plus, Godiva now has a predictable cost model and can scale out

communications and collaboration services more easily and cost effectively.

The Godiva IT staff has also observed that because the Microsoft Online Services user interface is familiar and extremely intuitive, employees are more self-sufficient, which will ultimately lead to fewer support calls.

Faster Response to Business Needs

Godiva has also gained speed-to-market in rolling out new products and stores, which is a competitive advantage in the luxury-goods market. If, for example, Godiva wants to support the World Cup and open a dozen new boutiques across the host country, it can get to market very quickly, in part because of its ability to turn on email services immediately. In addition to responding to special events, Godiva opens additional kiosks and boutiques during holiday periods, and now the business can ramp up faster to meet seasonal needs.

“Temporary stores and kiosks represent growth opportunities for us, but we need to be able to roll them out and shut them down quickly,” Whitelam says. “It’s nice to sit in meetings with the business stakeholders and say, ‘Yes, I can bring up those outlets as quickly as you want them.’ At the end of the day, it’s about selling more chocolate. Turning on email and similar infrastructure services shouldn’t take a lot of our time. I sleep better at night knowing that I can deliver whatever the business needs.”

By using Microsoft Online Services, Godiva also “gets out of the upgrade business,” as Strause puts it. “Before, we were stuck using an antiquated version of Notes, because it was too expensive and too much work to upgrade,” he says. “With Microsoft Online Services, the burden is off us to keep apprised of the latest features; Microsoft keeps us up-to-date on the latest

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versions. The IT staff can be more productive and spend more time on things like strategic planning.”

Cost-Effective Scalability, High Availability

Godiva has also eliminated worries about infrastructure issues such as scalability and availability. The IT staff no longer needs to spend time on capacity planning, calculating the cost of adding enough messaging servers to accommodate more employees, and worrying about server outages. “We can smoothly scale up or down at the rate the company grows, adding email accounts in hours rather than months,” Whitelam says. “Because we have a fixed cost per user, we can very quickly and accurately calculate the cost of growth. This helps us execute very, very quickly.”

With Microsoft Online Services, Godiva can rely on committed service-level agreements and recovery times in the event that an outage occurs. “These are firm agreements that I can commit to the business at no extra cost,” Whitelam says. “With our previous solution, if we wanted to provide four-nines availability, we had to invest in an extra high-availability infrastructure. Today, I’m able to increase the SLA offering without making that underlying investment.”

Increased User Satisfaction, Productivity

Godiva employees are happy, because they are on a messaging platform that is more familiar and modern than what they had been using. “The Microsoft Online Services client is far easier to use than Notes was,” Strause says. “It follows the consistent look and feel of all Microsoft Office programs. Also, because Microsoft provides a 25-gigabyte mailbox for each user, plus archiving services, our employees no longer have to spend time sorting through their emails and deleting old files.”

Employees also enjoy prompter IT support. Previously, Godiva employees around the world could only resolve Notes issues during U.S. business hours, because Notes support was handled by a U.S. IBM operation. Now, employees enjoy faster support because the Business Productivity Online Standard Suite provides a self-service portal where employees can take care of basic issues such as password resets themselves. If they do need to place a support call, they can call a Microsoft data center in their region.

“By making what appears to be a low-level change in our data center—changing the way we deliver email—we have saved the business a lot of money during tough economic times and also helped the business to grow,” says Whitelam. “It’s a change that’s been felt from the corner office to Godiva kiosks in Dubai.”

For More Information

For more information about Microsoft products and services, call the Microsoft Sales Information Center at (800) 426-9400. In Canada, call the Microsoft Canada Information Centre at (877) 568-2495. Customers in the United States and Canada who are deaf or hard-of-hearing can reach Microsoft text telephone (TTY/TDD) services at (800) 892-5234. Outside the 50 United States and Canada, please contact your local Microsoft subsidiary. To access information using the World Wide Web, go to:

www.microsoft.com

For more information about Binary Tree products and services, call (212) 244-3635 or visit the website at:

www.binarytree.com

For more information about Godiva Chocolatier products and services, call (212) 984-5900 or visit the website at:

www.godiva.com

Microsoft Online Services

Microsoft Online Services are business-class communication and collaboration solutions delivered as a subscription service and hosted by Microsoft. With these offerings, customers can cost-effectively access the most up-to-date technologies and immediately benefit from streamlined communications, simplified management, and business-class reliability and security features. For IT staffers, Microsoft Online Services are backed by strong service level agreements and help reduce the burden of performing routine IT management, freeing up time to focus on core business initiatives.

For more information, visit:

www.microsoft.com/online

Software and Services

- Microsoft Online Services
 - Microsoft Business Productivity Online Standard Suite
 - Microsoft Exchange Online
 - Microsoft Forefront Online Protection for Exchange
 - Microsoft Office Communications Online

- Microsoft Office Live Meeting
- Microsoft SharePoint Online
- Solutions
 - Software-plus-services

Partners

- Binary Tree